

5 Key Questions on How Public Schools are Funded and the Impact of Recent Tax Assessments



1 What role does the Orleans Parish School Board play related to property tax assessments?

- The Assessor's recent round of assessments showed an overall increase in property value in our city. This requires different taxing authorities to make a determination regarding millage rates.
- When tax assessments show an overall increase in property value in our city, property tax rates are reduced to match the previous amount of revenue collected unless the taxing authority holds a public hearing to decide to roll the millages forward.

The Orleans Parish School Board is a local taxing authority that sets millage rates

2 How are public schools funded in Orleans Parish?

- Public education is funded by 4 major revenue sources:



- The amount of state and local funding that schools receive is calculated from the assessed taxable values in Orleans Parish.

98% of all funding goes DIRECTLY to schools

3 How does the upcoming millage vote impact school funding?

- State funding levels are based on our school district's ability to generate revenue locally. Because of recently increased property tax assessed values, **state funding** will **DECREASE** by **\$9.1 million dollars**, regardless of **rolling the millages forward or not**.
- These consequences of revenue losses are unique to OPSB and different from other taxable authorities in Orleans Parish who are simply facing either increased revenues or maintaining current levels.
- A **full** roll forward would result in schools receiving an additional \$325.00 per student, on average.
- A **partial** roll forward would be needed in the least to off-set the loss of \$9.1 million dollars in state funding

Schools will **LOSE \$9.1 Million dollars** in state funding due to the new property assessments

4 How can a full roll forward help schools?

- A full roll forward prevents schools from losing \$9.1 million dollars and significantly increases the amount of resources available to serve students. A **full** roll forward would result in schools receiving an additional \$325.00 per student, on average.
- A full roll-forward would allow Orleans Parish to remain competitive with neighboring Jefferson Parish. In May 2019, the voters of Jefferson Parish approved a new tax of 7.9 mills to increase teacher and other school system employee raises.

Jefferson Parish's per pupil revenue will surpass Orleans' if we do not roll forward all millage rates

Per Pupil Comparison with NOLA-PS Full Roll Forward		Per Pupil Comparison with No NOLA-PS Roll Forward	
	Per Pupil		Per Pupil
Orleans Parish	\$10,645	Jefferson Parish	\$10,507
Jefferson Parish	\$10,507	Orleans Parish	\$10,320

5 When will the Orleans Parish School Board vote on millage rates?

- The Orleans Parish School Board will consider rolling forward the school related tax rates (millages) on Tuesday, November 19th, 2019. Specifically:
 - A public hearing will be held at 3pm
 - A special board meeting will then be held at 5:30 pm the same day, where a vote would be made.
- These meetings will take place at 2401 Westbend Parkway, New Orleans, LA 70114.

Summary of Roll Forward Options and Impact on Orleans Parish Schools

- **Option A – Full Roll Forward:** Will result in net **GAIN** of **\$325** per student, on average
- **Option B – No Roll Forward:** Will result in net **LOSS** of **\$196** per student, on average
- **Option C – Partial Roll Forward:** Will result in **NO CHANGE** in net revenues per student, on average

	2019 Current	Net of State Decrease					
		Roll Forward all Mills		Roll Back All Mills		Break-Even Mills	
		2020	Variance with 2019 Current	2020	Variance with 2019 Current	2020	Variance with 2019 Current
Taxable value of property	\$3,877,724,080	\$4,413,896,760	\$536,172,680	\$4,413,896,760	\$536,172,680	\$4,413,896,760	\$536,172,680
OPSB millage rate	45.31	45.31	0.00	39.81	-5.50	41.88	-3.43
Ad valorem revenue	\$175,699,678	\$199,993,662	\$24,293,984	\$175,699,678	\$0	\$184,848,655	\$9,148,977
Ad valorem revenue per mill	\$3,877,724	\$4,413,897	\$536,173	\$4,413,897	\$536,173	\$4,413,897	\$536,173
Ad valorem revenue per student	\$3,770	\$4,291	\$521	\$3,770	\$0	\$4,291	\$521
Decrease in State Dollars	\$0	-\$9,148,977	-\$9,148,977	-\$9,148,977	-\$9,148,977	-\$9,148,977	-\$9,148,977
Revenues net of State Dollars	\$175,699,678	\$190,844,685	\$15,145,007	\$166,550,701	-\$9,148,977	\$175,699,678	\$0
Net revenues per mill	\$3,877,724	\$4,211,977	\$334,253	\$4,184,058	\$306,334	\$4,195,433	\$317,709
Net revenues per student	\$3,770	\$4,095	\$325	\$3,574	-\$196	\$3,770	\$0